

United States Bankruptcy Court
Eastern District of New YorkDuval,
Plaintiff

Adv. Proc. No. 18-01038-ess

AFX Capital Markets Ltd.,
Defendant**CERTIFICATE OF NOTICE**

District/off: 0207-1

User: cteutonic
Form ID: pdf000Page 1 of 1
Total Noticed: 3

Date Rcvd: Oct 17, 2019

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Oct 19, 2019.

pla +Esther Duval, 1065 Avenue of the Americas, New York, NY 10018-1878

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

ust +E-mail/Text: ustregion02.br.ecf@usdoj.gov Oct 17 2019 18:45:37
Office of the United States Trustee, Eastern District of NY (Brooklyn Office),
U.S. Federal Office Building, 201 Varick Street, Suite 1006, New York, NY 10014-4811
ust +E-mail/Text: ustregion02.br.ecf@usdoj.gov Oct 17 2019 18:45:37 United States Trustee,
Office of the United States Trustee, U.S. Federal Office Building,
201 Varick Street, Room 1006, New York, NY 10014-7016

TOTAL: 2

***** BYPASSED RECIPIENTS (undeliverable, * duplicate) *****

ust* +United States Trustee, Office of the United States Trustee, U.S. Federal Office Building,
201 Varick Street, Room 1006, New York, NY 10014-7016

TOTALS: 0, * 1, ## 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.
USPS regulations require that automation-compatible mail display the correct ZIP.

Transmission times for electronic delivery are Eastern Time zone.

I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.**Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.**

Date: Oct 19, 2019

Signature: /s/Joseph Speetjens**CM/ECF NOTICE OF ELECTRONIC FILING**

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on October 17, 2019 at the address(es) listed below:

Heidi J Sorvino on behalf of Defendant AFX Capital Markets Ltd. Sorvinoh@whiteandwilliams.com
Heidi J Sorvino on behalf of Defendant AFX Capital U.S. Corp. Sorvinoh@whiteandwilliams.com
Heidi J Sorvino on behalf of Defendant STO Super Trading Online Sorvinoh@whiteandwilliams.com
Jacquelyn Somers Loftin on behalf of Plaintiff Esther Duval jsl@lhmlawfirm.com
Joseph S Maniscalco on behalf of Plaintiff Esther Duval jsm@lhmlawfirm.com

TOTAL: 5

LAMONICA HERBST & MANISCALCO, LLP

Moving Forward. Staying Ahead.®

Joseph S. Maniscalco, Esq.

Member

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jsm@lhmlawfirm.com

October 16, 2019

Via Electronic Filing

Judge Elizabeth S. Stong
United States Bankruptcy Court, E.D.N.Y.
Conrad B. Duberstein U.S. Courthouse
271-C Cadman Plaza East, Suite 1595
Brooklyn, NY 11201-1800

**In re Esther DuVal, as Chapter 11 Trustee of Gallant Capital
Markets Ltd. v. AFX Capital Markets Ltd. *et al.*
Adv. Proc. No. 18-1038 (ESS)**

To the Honorable Judge Stong:

My firm represents Esther DuVal, solely in her capacity as the Chapter 11 Trustee (the “Trustee”) of the jointly administered estates of Avenica, Inc. and Gallant Capital Markets, Ltd. The Trustee is also the plaintiff in the above adversary proceeding (the “Adversary Proceeding”) against AFX Capital Markets Ltd. *et al.* (collectively, “AFX Defendants”).

This letter is in response to the request of AFX Defendants to hold their time to file a response to the Trustee’s Sanction Motion in abeyance while the Court conduct a status conference in the Adversary Proceeding submitted to the Court on October 15, 2019 [Dkt. No. 60].

The Trustee respectfully requests that the Court deny the request of the AFX Defendants and proceed with the hearing on the Sanction Motion.

On September 27, 2019, the Trustee filed a motion seeking the entry of an Order for a judgment against AFX Defendants seeking sanctions and fees for engaging in bad faith and injunctive relief (the “Sanctions Motion”) [Dkt. No. 58], which was served on AFX Defendants on the same day. The hearing on the Sanctions Motions is scheduled for October 24, 2019 with responses due on October 17, 2019 (the “Objection Deadline”).

Despite having the Sanctions Motion for 3 weeks, AFX Defendants wait until the eve of the Objection Deadline to file their letter request.

Their request is only further proof of the delay tactics and bad faith behavior by AFX Defendants that has plagued this Adversary Proceeding (*e.g.* the multiple misrepresentations to Trustee’s counsel and this Court about the pending payments under the stipulation of settlement and the current status of AFX Defendants).

LAMONICA HERBST & MANISCALCO, LLP

Judge Elizabeth S. Stong
United States Bankruptcy Court, E.D.N.Y.
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Upon information and belief, counsel for AFX Defendants have known for months of its clients' alleged shutdown, but failed to advise the Court until now.

AFX Defendants have failed to set forth any reason why their time to file a response should be held in abeyance. Should the AFX Defendants believe that the Sanctions Motion has no merit as asserted in the request, then it can file a response explaining their basis for their position and request that this Court deny the relief requested.

AFX Defendants should not be afforded another opportunity to make misrepresentations and delay this Adversary Proceeding. Indeed, granting a status conference and holding their response in abeyance will only reward AFX Defendants for this inappropriate behavior.

Accordingly, the Trustee submits that the request be denied. The Trustee will, however, consent to an extension of AFX Defendants' time to file a response until Friday, October 18, 2019 by 12:00 p.m.

Thank you for your attention to this matter.

Respectfully submitted,

s/ Joseph S. Maniscalco
Joseph S. Maniscalco

cc: Esther DuVal, Trustee (via email)
Heidi Sorvino, Esq. (via email)

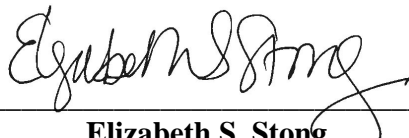
The Court has considered the request of AFX Capital Markets Ltd. ("AFX") for a conference to address AFX's deadline to respond to the motion for sanctions filed by the Chapter 11 trustee (the "Trustee") and the Trustee's response to the request. Therefore, in light of the circumstances and based on the entire record; it is hereby

ORDERED, that the Court will hold a telephonic conference on October 21, 2019 at 2:30 p.m. to address these matters.

ORDERED, that a prompt deadline for AFX to respond to the Trustee's motion for sanctions may be set at the October 21, 2019 conference.

**Dated: Brooklyn, New York
October 17, 2019**




Elizabeth S. Stong
United States Bankruptcy Judge